

# WORKFORCE OBSERVATIONS FOR MILWAUKEE COUNTY/WOW COUNTIES DECEMBER 2001



## Where We Stand in November

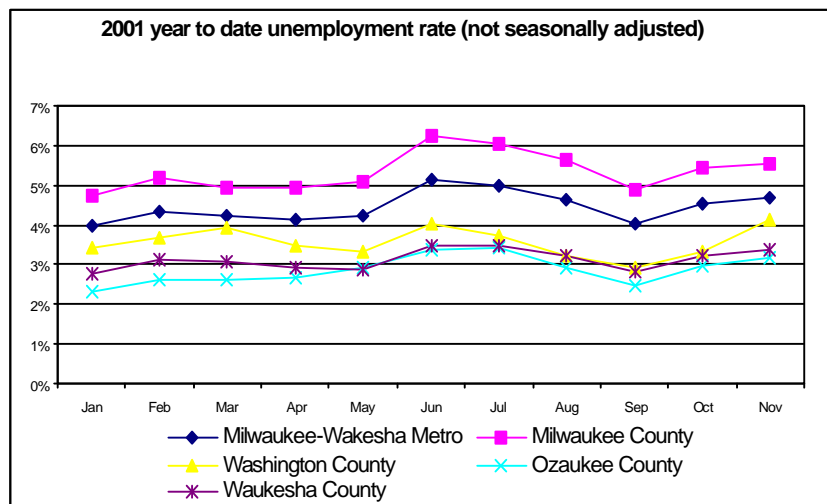
For the month of November, the Milwaukee-Waukesha Metropolitan Statistical Area (MSA) experienced a seasonally adjusted unemployment rate of 4.7%, which is two-tenths of one percent higher than the same rate one month ago. This rate is four-tenths of a percent higher than the state rate of 4.3%, which is slightly lower than the 0.6% difference from October. This continues a seven-month trend in which the metro unemployment rate outpaced the state average. Finally, the current unemployment rate is significantly higher (1.6%) than the rate for November 2000, continuing a trend that has been observed throughout 2001 and fueling concerns about the recessionary state of the regional economy.

The **Milwaukee County** not seasonally adjusted unemployment rate stood at 5.6 percent in November. This rate ranked eighth highest in the state, with Menominee County again experiencing the highest rate for the month at 7.5%. The county rate is 0.2% higher than October, which is slightly less than the 0.6% increase from September, and 1.7% higher than the same period one year ago. It is important to note here that, as compared to the same period in 2000, only Washington County had a greater (1.8%) rate increase among the four metropolitan counties, with Ozaukee and Waukesha Counties experiencing increases of 1.4% and 1.5%, respectively. The unemployment rate increased despite another month where the change in the number of labor force participants employed (840) outpaced the increase in the number of persons unemployed (610). The total increase in the county's labor force stood at slightly more than 1,400. It is also important to state at this point that the smaller increase in unemployment in the county over the past month, as compared to October indicates a return to economic normalcy in the wake of the events of September 11th, and that the specific effect of the terrorist attacks may, at least to some degree, be short-lived.

For the second consecutive month, the manufacturing sector in Milwaukee County has shown signs of a return to some semblance of normalcy. Among the most apparent indicators of this is the realization that the decrease in manufacturing employment of 200 positions, while certainly significant, is less

than the loss seen in other sectors. Among other sectors experiencing significant job losses, transportation, communications, and public utilities firms reported a reduction of 340 employees in November. This loss has been heavily concentrated among a number of transportation-oriented firms in the county. Construction and mining firms also reported a significant reduction of 490 employees as a result of the seasonal slowdown in activity. It is also important to note that the service sector, which had seen a reduction of almost 1,900 jobs in October has exhibited signs of recovery over the past month, resulting in an increase of 160 employees. To accommodate seasonal demand from the holidays, the retail sector reported the addition of 1,600 employees.

The WOW counties' of Waukesha, Ozaukee, and Washington not seasonally adjusted unemployment rates all experienced significant increases over the past month, as had been previously noted. **Washington County's** rate of 4.1 percent is eight-tenths of a percentage point higher than October, and represents the highest one-month increase in the metropolitan area. **Ozaukee County** reported a November unemployment rate of 3.2%, two-tenths of a point higher than October, but still twelfth lowest in the state for the month, and **Waukesha County**, at 3.4 percent is also two-tenths of one percent higher than the same period one month ago. Each of these rates is higher than rates for the respective counties from this time a year ago, also as previously noted. Washington County is a staggering 1.8 percent higher, Ozaukee County is 1.5% higher, and Waukesha County has experienced a 1.4% increase. To put these November rates into historical perspective, while each of the counties' unemployment rates continue to be significantly lower



than those observed over the past decade, the October 2001 unemployment rates in the WOW counties again represent the highest unemployment rate in the past eight years, in the case of Waukesha County, the past nine years, in the case of Ozaukee County, and, in the case of Washington County, the past decade.

An analysis of industry employment shows an aggregate loss of 370 employees over the past month, with the number of person's unemployed (970) accompanying a significant, but lesser

(Continued on page 2)

(Continued from page 1)

increase in the number of unemployed (600), resulting in an increase in the WDA unemployment rate to 3.5% for the month.

Job loss in the WOW WDA over the past month has been concentrated in five key areas: construction and mining (-700), manufacturing (-180), wholesale trade (-150), transportation, communications, and public utilities (-130) and government (-170). Decrease in employment in these sectors all run in agreement with theoretical expectations that accompany an economic slowdown. It is also important to note that, as is the case in Milwaukee County, service sector firms in the WOW area have exhibited signs of economic recovery, posting employment gains of 60 employees for the past month. Manufacturing employment continues to experience a precipitous decline over the past year (-3,610 positions), led once again by Waukesha

County (-2,360). Wholesale trade (-1,280), retail trade (-690), construction (-920), and service industries (-120) have all experienced significant decreases in employment in the area over the past year.

As has been previously stated, the economic data released over the past several weeks has indicated, at least, in part, a return to economic normalcy following the shock of September 11th. Despite concerns caused by the recessionary climate which extends back over the past year and a half to two years, there is a general sense and realization, as 2001 draws to a close that we do indeed live in a much different world. However, indicators continue to point to signs of economic recovery in the first half of the coming year. Given the diversity of the region's economy, as well as steady job growth and industry diversification and expansion, the Milwaukee/WOW area stands poised to enjoy the rewards of future growth.

	Wisconsin	Milwaukee-Waukesha MSA	Milwaukee County/WDA	Washington County	Ozaukee County	Waukesha County	W-O-W WDA
<b>November 2001</b>							
<b>Civilian Labor Force*</b>	3,049,807	822,038	485,544	69,475	49,415	217,604	336,494
Persons Employed	2,919,478	783,350	458,565	66,620	47,853	210,312	324,785
Persons Unemployed	130,329	38,688	26,979	2,855	1,562	7,292	11,709
Unemployment Rate	4.3%	4.7%	5.6%	4.1%	3.2%	3.4%	3.5%
<b>Total jobs of all non-farm industries**</b>	2,854,448	866,475	557,261	47,306	39,323	222,586	309,214
<b>Goods Producing Jobs</b>	710,299	198,065	100,103	17,795	13,444	66,723	97,962
<b>Service Producing Jobs</b>	2,144,149	668,410	457,158	29,512	25,878	155,862	211,252
Construction & Mining	131,044	34,428	14,191	2,676	1,576	15,985	20,237
All Manufacturing	579,255	163,637	85,912	15,119	11,868	50,738	77,725
Transportation, Communications & Public Utilities	136,042	38,613	28,246	1,748	819	7,800	10,367
Wholesale Trade	137,317	48,296	24,855	2,385	1,587	19,469	23,441
Retail Trade	512,034	134,666	83,606	8,381	7,096	35,583	51,060
Finance, Insurance, and Real Estate	152,668	59,031	42,867	2,008	1,978	12,178	16,164
Services	783,826	289,919	208,712	9,226	10,243	61,739	81,207
All Government	422,262	97,885	68,873	5,764	4,156	19,093	29,012
<b>Change from October 2001</b>							
<b>Civilian Labor Force*</b>	-1,010	3,020	1,450	680	190	700	1,570
Persons Employed	-13,040	1,440	840	120	90	390	600
Persons Unemployed	12,030	1,580	610	550	110	320	970
Unemployment Rate	0.4%	0.2%	0.1%	0.8%	0.2%	0.1%	0.3%
<b>Total jobs of all non-farm industries**</b>	-8,430	-200	100	-30	10	-290	-310
<b>Goods Producing Jobs</b>	-12,000	-1,560	-690	-130	-80	-670	-880
<b>Service Producing Jobs</b>	3,570	1,360	790	90	100	380	570
Construction & Mining	-5,420	-1,190	-490	-90	-50	-550	-700
All Manufacturing	-6,580	-380	-200	-30	-30	-120	-180
Transportation, Communications & Public Utilities	-1,120	-470	-340	-20	-10	-90	-130
Wholesale Trade	0	-310	-160	-20	-10	-120	-150
Retail Trade	7,680	2,580	1,600	160	140	680	980
Finance, Insurance, and Real Estate	-130	-80	-60	0	0	-20	-20
Services	-4,700	220	160	10	10	50	60
All Government	1,840	-590	-420	-30	-30	-120	-170
<b>Change from November 2000</b>							
<b>Civilian Labor Force*</b>	55,260	5,240	3,570	550	180	940	1,680
Persons Employed	12,330	-8,110	-4,750	-690	-500	-2,180	-3,360
Persons Unemployed	42,940	13,360	8,320	1,240	680	3,120	5,040
Unemployment Rate	1.4%	1.6%	1.7%	1.8%	1.4%	1.5%	1.5%
<b>Total jobs of all non-farm industries**</b>	-16,440	-12,430	-6,320	-980	-740	-4,390	-6,110
<b>Goods Producing Jobs</b>	-38,640	-9,150	-4,630	-820	-620	-3,080	-4,520
<b>Service Producing Jobs</b>	22,200	-3,280	-1,690	-160	-120	-1,310	-1,590
Construction & Mining	-3,460	-1,560	-640	-120	-70	-720	-920
All Manufacturing	-35,180	-7,600	-3,990	-700	-550	-2,360	-3,610
Transportation, Communications & Public Utilities	120	-480	-350	-20	-10	-100	-130
Wholesale Trade	-1,480	-2,640	-1,360	-130	-90	-1,070	-1,280
Retail Trade	1,520	-1,640	-1,020	-100	-90	-430	-620
Finance, Insurance, and Real Estate	3,060	60	40	0	0	10	20
Services	12,020	-430	-310	-10	-20	-90	-120
All Government	6,960	1,850	1,300	110	80	360	550

\* Labor force figures are **not** seasonally adjusted and are commonly revised. Figures from "place of residence" survey from the Bureau of Labor Statistics' Local Area Unemployment Statistics program.

\*\*Figures based upon "place of employment" survey from the BLS, Non-Farm Wage and Salary estimates  
Figures are rounded and may not sum to totals

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